Approved For Release 2002/08/06 : CIA

SUBJECT: Minister Heath's Comments August 27, 1951, on the National Intelligence Estimate regarding Probablo Developments in Indochina - NIE-35

"The Embassy enclosed, for the Department's information, a memorandum prepared by the United States Minister to the Associated States, Mr. Donald Heath, containing his comments on the National Intelligence Estimate entitled: "Probable Developments in Indochina during the Remainder of 1951", published on August 7, 1951. This Estimate was shown to Minister Heath during his visit to Paris en route to Washington in connection with the visit to the United States of General de Lattre de Tassigny, French High Commissioner and Commander-in-Chief of the French Forces in the Far East.

David Bruce

Enclosures Memorandum prepared by Minister Heath,"

*MEMORANDUM

COMMETTS OF MINISTER DONALD R. HEATH ON NIE-35: "PROBABLE DEVELOPMENTS IN INDOCHINA DURING THE REMAINDER OF 1951"

I agree with the conclusions of the reference paper and particularly with the final estimate that direct Chinese Communist intervention in Indochina is unlikely to occur during the remainder of 1951. The possibility of early intervention, however, while unlikely during the next few months, should not be entirely ruled out.

Par. 5 of paper. I question the statement that French successes during the period since General de Lettre assumed command ere in pert due to "(c) the arrival of French reinforcements" or "(d) the inexperience at large-scale warfare of the Viet Minh guerrillas." As far as I am aware, no reinforcements of French Union forces have yet arrived from France, only replacements. Certainly this is the first time I have heard the statement that the operations undertaken by the Viet Minh guerrillas during the past ten months failed because of their inexperience in large-scale warfare. The Viet Minh attacks were shrewdly planned and energetically exccuted. De lattre is of the opinion that those pertition against has Vinh-Yen was planned by European officers. Beview of this document by determined that GIA Lup he objection to declass

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I believe that the estimate that 10,000 Chinese personnel have been infiltrated into the Viet Minh is screwhat excessive. The French have no exact intelligence on this point but at a French staff briefing in June the number was placed as "in excess of 5,000."

Par 6. The statements that the slowness of development of the Vietnamese Government is in part due to "(a) French reluctance to relinquish ultimate control of political and economic affairs" in Viet Nam, is not true today. Under de Lattre, intervention in internal political affairs has been limited, and the French cannot be said to be exercising ultimate control of economic affairs beyond the fact that they are heavily subsidizing the maintenance and equipment of the new Viet Nam national army, and supporting the exchange rate of the plaster.

Par. 8. Present plans call for the expension of the Viet Nam army to 120,000 men, not to 100,000.

While in the past there have been differences of opinion between the Vietnamese Government and the French over control of the Viet Nam army, there is no such conflict at the present time.

Par. 9. The statement: "we are unable to determine whether the Viet Minh is actually losing any of its popular appeal" is surprising. I do not believe that any informed observer would deny that in the past twelve months there has been a very considerable decline in the popularity of the Viet Minh.

Par. 14. With regard to the estimate that 100,000 Chinese Communist troops could now be made available and logistically supported for invasion of Indochina, I believe that General de Lettre's estimate is that a maximum of 150,000 Chinese troops could be employed in the Toukin area.

SECRET